**Issues instructions *re.* payment of tax and submission of statutory returns, accounts, etc., by Departments of Government, under Central Sales Tax Act, 1956.**

REFERENCE :—

Government letter No. RD 2 CCX 59, dated 29th January 1959.

## CIRCULAR

No. FD 1 CSL 63, DATED BANGALORE, THE 10TH SEPTEMBER 1964
(BHADRAPADA 19, SAKA ERA 1886).

Attention of all Heads of Departments of Government is invited to Government of India's Letter No. 8(29) ST/58, dated 19th January 1959 communicated with the letter cited above (Annexure). In the said letter Government of India have clarified that all the Departments of State Government engaged in the business of selling goods in the course of Inter-State Trade or Commerce are required to get themselves registered. The procedure to be followed in getting registered and other obligations which such Departments are required to honour are listed below :—

(1) The Heads of Departments engaged in the business of selling goods in the course of Inter-State Trade or Commerce only need get themselves registered. The application should be in Form A and should be made to the Commercial Tax Officer having jurisdiction over the office of such Head of the Department. In the application all the places in the State in which such Department conducts business should be shown and a copy of the registration certificate should be obtained for all such places of business and exhibited in those places of business.

(2) In the matter of collection of Central Sales-tax on the goods sold and the procedure of its accounting, the instructions of the Government of India in the Letter No. 8(29) ST/58, dated 19th January 1959 should be followed.

(3) All the Heads of the Departments who get themselves registered should also furnish a return in Form IV appended to the Central Sales-tax (Mysore) Rules, 1957, to the Registering Authority. The return should show all the sales conducted by the Department from all of its offices in the State in a financial year and should be furnished to the Registering Authority by the 30th April, succeeding the financial year. The declarations in Form 'C' or certificates in Form D, E, or E11 received from the buying dealers should also be enclosed to the said return. Each of the local officers should also furnish a similar return showing the sales conducted by them to the local assessing officers of the Commercial Taxes Department.

(4) The forms or any other information on this subject can be had from any of the offices of the Commercial Taxes Department.

N. J. GOREPEERZADE,

*Under Secretary to Government, F. D.*

## ANNEXURE.

*Copy of letter No. 8 (29)-ST/58, dated 19th January 1959, from the Deputy Secretary to the Government of India, Ministry of Finance (Department of Economic Affairs), New Delhi, to the Finance/Revenue Secretaries of all States and Union territories.*

*Sub.*—Central Sales Tax Act, 1956—Payment of tax and submission of statutory returns, accounts, etc., by departments of Central and State Governments engaged in the business of selling goods in the course of Inter-State Trade or Commerce.

In continuation of this Ministry's Letter No. 8 (38)-ST/58, dated 12th January, 1959, I am directed to say that Departments of Central and State Governments engaged in the business of selling goods in the course of Inter-State Trade or Commerce, are to be registered as dealers under the Act. They incur liability to pay tax to the appropriate State sales-tax authorities on their transactions of sale. In discharging the liability, certain statutory returns prescribed under the Act have to be submitted and registers prescribed under the rules have to be maintained by them. Government of India consider that in doing so the procedure to be followed by the Government Departments should be uniform at least in the following aspects:—

1. The collection of Central Sales-tax on the price of the goods sold by a registered dealer is permitted under the law. If tax is separately collected, it should be shown distinctly in the accounts from the sale price of the goods. A register in the form appended may also be maintained by the Departments of Government to facilitate easy verification of the collections by the sales-tax authorities.

2. The amount of tax thus collected separately or as part of the sale price, should be remitted into the treasury in monthly or quarterly or half-yearly instalments (as provided by the rules framed by the respective State Governments in this regard) by challan in triplicate under the appropriate sub-head of accounts ascertained from the sales tax authorities.

3. The Treasury Officers should sent the triplicate copy of the challan to the sales-tax officer having jurisdiction over the area.

4. The returns of turnover, either monthly or quarterly or half-yearly, as the case may be, should be submitted, in accordance with the rules prescribed by the appropriate State Government, containing particulars of the sales and the periodical remittances of tax in the treasury.

The contents of this circular may be brought to the notice of all the Departments of your State Government for information.

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